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New York

SUMMARY RECORD OF THE 3rd MEETING

Chairman: Mr. HAMBURGER (Netherlands)

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The meeting was called to order at 3.05 p.m.

ELECTION OF OFFICERS (continued)

1. The CHAIRMAN informed the Committee that the Group of African States had nominated Mr. Ramoul (Algeria) for the office of Vice-Chairman.

2. Mr. Ramoul (Algeria) was elected Vice-Chairman by acclamation.

ORGANIZATION OF WORK (continued) (A/C.2/51/1, A/C.2/51/2, A/C.2/51/3; A/C.2/51/L.1/Rev.1 and A/C.2/51/L.1/Add.1/Rev.1)

3. The CHAIRMAN drew the Committee's attention to document A/C.2/51/L.1/Add.1/Rev.1, which gave an update of the status of preparation of the Committee's documentation, and to document A/C.2/51/1, which contained a letter dated 20 September 1996 from the President of the General Assembly to the Chairman of the Second Committee concerning the allocation of items to the Second Committee. He also drew the Committee's attention to a letter dated 6 September 1996 from the Chairman of the Committee on Conferences to the Chairman of the Second Committee (A/C.2/51/2), suggesting various measures to be taken to conserve conference-servicing resources. He urged members of the Committee to take note of that document and to do everything possible to comply with the solutions set out therein.

4. Lastly, he drew attention to various proposed amendments to the Committee's organization of work. In that regard, he referred to a letter dated 27 September 1996 from the President of the General Assembly to the Chairman of the Second Committee (A/C.2/51/3) transmitting a letter from the Chairman of the Fifth Committee, regarding agenda item 114, entitled "Programme planning", which requested the views of the Committee on various programmes under the proposed medium-term plan for the period 1998-2001. If he heard no objection, he would take it that the Committee wished to approve the draft proposed programme of work contained in document A/C.2/51/L.1/Rev.1, as orally revised, on the understanding that further adjustments might be necessary.

5. It was so decided.

GENERAL DEBATE

6. Mr. DESAI (Under-Secretary-General for Policy Coordination and Sustainable Development) said that the initiative taken by the Chairman to organize informal panel discussions in order to supplement the information provided in the Secretariat's reports, and to invite speakers to make introductory remarks on different agenda items, was a laudable innovation in the Second Committee's method of work. He thanked the Government of the Netherlands and the United Nations University for their support of that initiative.

7. Over the past three years, the Second Committee's debate had focused on two major issues. The first one was a reconsideration of the concept of development, which in turn had three major themes: greater focus on integration of the economic, social and environmental aspects of development, which had

highlighted the need to endeavour to integrate the analytical, normative and operational work of the United Nations in the area of development; the belief in the need to go beyond the North/South rhetoric and to look for a basis for development cooperation in certain shared goals, values and interests to be pursued through a programme of development cooperation; and an attempt to determine the role that public policy could play in an environment characterized by an increase in the influence of market-based development policies. In that regard, the series of major United Nations conferences that had been held in recent years was very important, since such conferences had all tried to deal with issues which could not be left to the process of market-based development alone. Consequently, such conferences had somehow sought to identify a role for public policy at the national and international levels.

8. The second issue characterizing the recent period was the introduction of certain major innovations in the process of policy development in the United Nations system. First, the idea of integration had been written into all the recent conferences, which had tried to establish links between their respective specific topics and other aspects of development. Secondly, the degree of credibility of those conferences and their outcomes had been enhanced, not just in the eyes of those responsible for the adoption of international policies, but also in the eyes of those responsible for the preparation and implementation of national policy, the non-governmental community and civil society. The Second Committee could pride itself on its decisive role in all those conferences, since it had not only provided the inspiration for them and had helped to orient them, but had also contributed to the preparation of their agendas.

9. The new challenge facing the United Nations was how to ensure that the same dynamic and innovative approach was used in the following phase, the implementation of the outcomes and recommendations of those conferences. All that had been achieved over the past five or six years by way of a new dynamism in the processes of policy formulation in the United Nations system would be lost unless that process, in which so much effort and such a large volume of resources had been invested, led to results. The challenge facing the Secretariat was how to determine means for ensuring the implementation of the outcomes of all those conferences. That endeavour should constitute one of the main goals of the Second Committee and of the Economic and Social Council and its functional commissions. That did not mean that the process of policy formulation had been completed. There were still some areas which had not been covered, while there were others which required further elaboration. Nevertheless, attention must be focused on the implementation of the conclusions of that process.

10. In that regard, he wished to stress two dimensions. The first one was the role of the intergovernmental process in ensuring implementation of those conclusions. That aspect was going to figure in many different ways in the work of the Second Committee at the current session, most notably with respect to the review of the whole process inspired by the United Nations Conference on Environment and Development and with respect to efforts to ensure that such review would be as innovative as the Conference itself. The second dimension, which was even more important, involved finding a stronger link between the normative and policy-development work of the United Nations system and its operational work. To a certain extent, the operational work continued to be

guided by policy development processes which were not directly linked with the above-mentioned conferences or with the policy-setting work of the Second Committee, the Economic and Social Council, and its functional commissions. One of the big challenges now was how to give greater meaning to those policy development processes by forging a stronger link between the political processes and the guidance provided for operational activities, not just in the framework of the United Nations system but also in that of cooperation for development. While some advances had been made in that regard, there was a need to go beyond the consideration of the form of operational activities and to focus on their substance.

11. The central political processes of the United Nations had shown great vitality over the past few years. Those processes must now be linked together as part of a unified framework for development, within a system which translated those policy development processes into concrete realities in terms of the operational activities of the United Nations system. In that regard, he drew attention to the agenda for development process, which was one of the most important ongoing processes and through which many of those elements could be brought together.

12. Mr. BERROCAL SOTO (Costa Rica), speaking on behalf of the Group of 77 and China, said that, at the fiftieth session of the General Assembly, the deliberations of the Ad Hoc Open-ended Working Group of the General Assembly to elaborate further an action-oriented, comprehensive agenda for development had yielded unsatisfactory results which had cast doubts on whether or not all Member States were truly committed to giving priority to the issue of economic and social development. Those doubts had been heightened by certain views which had been expressed during the consideration and negotiation of equally crucial items such as the strengthening, reform and restructuring of the United Nations, payments arrears and other financial aspects of the Organization that were yet to be resolved. For that reason, he wished to stress that the issue of economic and social development was a vital one, and that developing countries were opposed to its being assigned a less important or lower priority on the international agenda and the agenda of the United Nations.

13. He recalled that all the heads of State and Government of the Group of 77 and China had stated, during the celebrations marking the fiftieth anniversary of the United Nations, that the issue of economic and social development was as much a part of the raison d'être of the United Nations as international peace and security. The Group of 77 and China had repeatedly reaffirmed that view as a clear-cut framework for deliberations and negotiations with representatives of developed countries. He wished to reiterate that view at the beginning of the general debate of the Second Committee, since the above-mentioned outstanding issues had to be resolved in order for the United Nations to address the new challenges facing the international community.

14. The Group of 77 and China reiterated their proposal that, when a report on a development programme was circulated, the reference document should be submitted to the regional commissions, the South Centre, the United Nations Conference on Trade and Development (UNCTAD), the United Nations Industrial Development Organization (UNIDO) and to other specialized agencies with a view to securing new contributions. In that regard, there was a need for a

considerable increase in the levels and amounts of official development assistance (ODA), which had been decreasing in recent years. The developed countries were not fulfilling their commitment to set aside 0.7 per cent of their gross national product (GNP) for ODA or the commitments they had made under Agenda 21 to set aside 0.15 per cent of their GNP for ODA for the least developed countries by the year 2000. The development process would hardly be possible without international cooperation, especially for the least developed countries, which had been seriously affected by the globalization and liberalization of the world economy. The Group of 77 and China fully supported the Special Initiative on Africa, and made an urgent appeal for international solidarity in favour of that important Initiative. Without an effort of that scope and significance, and without a solution to such fundamental problems as the external debt of the African countries, the vast majority of those countries would be unable to overcome the difficulties arising from their current critical economic situation and the accumulation of serious social problems caused by marginalization.

15. Globalization and liberalization of the world economy offered some opportunities for development but also posed a tremendous challenge to developed and developing countries alike. A complex process was transforming the world economy and international relations, even though it was impossible to formulate a complete and unified theory of the process and its impact on the economic, social and even political behaviour patterns that had served as the basis of the international order in recent decades. The Group of 77 and China were determined that follow-up and implementation of the agreements and programmes of action adopted at international conferences and summits in the 1990s should be priorities of the work of the United Nations system. Those agreements symbolized the Organization's vitality and commitment and constituted a genuine and essential programme of work for the United Nations. In that regard, the speaker drew attention to Economic and Social Council resolution 1996/36, which had been adopted following the initiative of the Secretary-General and the Administrator of the United Nations Development Programme (UNDP) to establish four inter-agency task forces in order to provide effective follow-up on such matters of importance to Member States as the environment, population, the rights of women and children, human rights, social development and the future of cities and human settlements.

16. The strengthening of South-South relations and cooperation was an essential element in the new development strategy of African, Asian, Latin American and Caribbean countries, whose objective was not to replace North-South dialogue but to create a mechanism that could serve as a major impetus for development and well-being in those countries. For that reason, Costa Rica had called for the convening of a South-South conference on trade, investment and finance in January 1997 for the purpose of reformulating the Programme of Action adopted by the Group of 77 and China in Caracas in 1981. The current world economic situation and the intensity of the globalization and liberalization process necessitated such a reconsideration and the definition of new criteria for action by developing countries.

17. The Group of 77 and China were satisfied with the agreements adopted at the ninth session of UNCTAD and with the activities identified and approved by that body, whose history and goals were fundamentally linked to the struggles and

legitimate aspirations of the developing countries. He highlighted the complex process of internal adjustment and reform and programmes that had been carried out by UNIDO. The Group of 77 and China supported both organizations, which provided strong support and technical cooperation to the countries of Africa, Asia, Latin America and the Caribbean.

18. The agreements of the Uruguay Round and its Final Act must be fully implemented, and it was to be hoped that the forthcoming Ministerial Conference of the countries members of the World Trade Organization (WTO) in Singapore would be a real and transparent reflection of a new and constructive era of international trade negotiations, in which all forms of the old and corrupt practices of protectionism and neo-protectionism would give way to a new stage of growth in trade and the world economy, without distortions and without unfair advantages for some, which were to the detriment of the neediest.

19. The Group of 77 and China also fully supported the World Food Summit, at which the most serious problems were to be considered and addressed and the special session of the General Assembly to review the implementation of the commitments assumed under Agenda 21, which would provide the international community with an excellent opportunity to study the principal obstacles to the effective implementation of the Rio agreements. That would be a fitting occasion for the submission of concrete proposals for ensuring that the new models of international cooperation would be translated effectively into reality, enabling sustained economic growth and sustainable development in all countries, in particular the developing countries.

20. The Group of 77 and China had always held the view that the problems of development could not be reduced to their economic component but rather involved a set of social problems and situations and of equally essential ethical and political factors that formed part of an integral whole whose common denominator was the right of every man and woman to a life of dignity and a future of hope. That supreme aspiration of humanity was what justified and gave meaning to the work of the United Nations, the only Organization capable of undertaking major development issues in an integrated and comprehensive manner. Continuing to maintain and strengthen that fundamental obligation of the United Nations was foremost among the goals pursued by the Group of 77 and China.

21. Mr. MURPHY (Ireland), speaking on behalf of the European Union and the associate countries of Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Malta, Poland, Romania and Slovakia, and, in addition, Iceland, said that the fifty-first session of the General Assembly was taking place at a time of both hope and challenge. The previous year had seen the slow acceleration of economic growth in all regions of the world. There was real economic opportunity for more people than ever before. The European Union recognized, however, that growth in developing countries was uneven, particularly in Africa.

22. Owing to the uneven domestic distribution of the fruits of economic growth, major problems of poverty, serious social inequities, gender inequalities and unsustainable population growth still remained. Over a billion persons continued to live in abject poverty, and women carried a disproportionate share of the burden in coping with poverty.

23. Those problems posed major challenges for the United Nations. The European Union had consistently emphasized its strong conviction that the Organization was uniquely well placed to advance international cooperation in the economic and social fields and to foster further progress towards the essential objective of international sustainable development. Accordingly, the European Union was firmly committed to the multilateral approach to global problems; it renewed its commitment to the United Nations and was prepared to equip it for the tasks of a new century.

24. In the past 12 months, the United Nations had been undergoing positive changes that would enable it to address the problems arising in the economic, social and related fields as a result of the rapidly evolving world situation. In its resolution 50/227, the General Assembly had established the legislative basis for a significant restructuring and revitalization of the system in those fields. The European Union was fully committed to the implementation of all parts of that resolution, including those related to funding and institutional reform. Nevertheless, the results of efforts made to implement important parts of the resolution relating to the functional and regional commissions during the substantive session of the Economic and Social Council had been somewhat disappointing. It was to be hoped that the General Assembly would be more successful in its efforts to promote the implementation process at the current session.

25. Progress in the reform process had also been made at the ninth session of UNCTAD. At the same time, much remained to be done if the United Nations was to respond adequately to the enormous challenges facing it in advancing the goal of people-centred sustainable development, especially with regard to the least developed countries, and in effectively fulfilling its responsibilities in that area.

26. There was an urgent need to review the roles and mandates of all United Nations bodies involved in development. In addition, continuing efforts should be made to improve cooperation between United Nations agencies, the international financial institutions and WTO.

27. It was also necessary to ensure that the Organization's operational activities for development were truly effective. In that connection, he looked forward to an early conclusion of the evaluation mandated by the General Assembly in its resolution 50/120.

28. The Union had been considering ways of promoting the reform process and would share its views on that question during the current session. In its ongoing dialogue with partners from the developing countries, the Union attached particular importance to the eradication of poverty. The Economic and Social Council had addressed that issue satisfactorily during its coordination segment. He noted with satisfaction that many United Nations agencies, notably UNDP, had made a strong and renewed policy commitment to the eradication of poverty in recipient countries.

29. During its special session in 1997, the General Assembly should review the implementation of Agenda 21, provide political leadership and formulate guidelines for future action on environment and sustainable development.

30. He was also pleased to note the progress achieved in the implementation of the conventions on desertification, climate change and biological diversity.

31. On the other hand, the slow pace of progress in the negotiations concerning an agenda for development was cause for concern. The successful conclusion of those negotiations was one of the Union's priorities during the current session of the General Assembly. He noted, however, the positive outcome of the mid-term review of the United Nations New Agenda for the Development of Africa in the 1990s. He stressed the importance of the urgent implementation of the recommendations of that review, particularly those related to the Special Initiative for Africa.

32. He urged the Committee to endorse the outcome of the United Nations Conference on Human Settlements (Habitat II), including the arrangements for the follow-up to the Conference at all levels; he also looked forward to the World Food Summit, to be held in Rome in November 1996. There was also a need to reflect on the progress made in achieving the goals of the World Summit for Children in the light of the new international consensus on the achievement of sustainable human development.

33. Mr. PRONK (Netherlands) said he did not subscribe to the conventional wisdom which held that in highly unstable situations, emerging armed conflicts, protracted states of "no war, no peace" and war-torn societies, development aid was pointless and efforts should be confined to humanitarian relief. On the contrary, the international community should provide a coherent and effective response, incorporating preventive diplomacy, political mediation, humanitarian relief, social action, economic alternatives and cultural communication. Such development cooperation must be linked to political initiatives and peace-building if peace was to be sustainable.

34. The lessons learned earlier in Rwanda and Somalia, and in Afghanistan during 1996, showed that as long as political mediation, military and security operations, emergency relief and development assistance operated largely as independent policy instruments, the international response to large-scale violence would be incoherent and ineffective. Violence continued because the root causes of underlying conflicts were not addressed.

35. The international community now understood that conflict prevention required a broad approach, combining longer-term development and medium-term reconstruction and rehabilitation activities with short-term emergency relief and political and security instruments. Well-focused development programmes could lay the groundwork for prevention and help to stem escalating violence.

36. In the international forums responsible for peace and security, there was a tendency to focus on the military dimensions of conflict management to the exclusion of non-military actors and longer-term development activities which could contribute to peace-building. While military forces involved in peacekeeping operations could contain violence, they could not by themselves facilitate conflict resolution, since they isolated communities, froze the status quo and raised barriers between civil groups. The excessive focus on emergency relief in order to meet immediate needs meant that little attention

was paid to the tools of reconciliation which could heal the deep wounds and scars left by armed conflict.

37. As seen in Burundi, Liberia, Somalia, Afghanistan, the Sudan and Chad, a growing number of countries lingered in states of "no war, no peace". The nature of current intra-State conflicts made it increasingly difficult to determine when and where violence ended and peace began, and vice versa. Under those circumstances, official institutions lost their legitimacy and authority.

38. The international community should not wait for a formal peace agreement and an end to violence before starting to identify and support reconciliation programmes at the community level. Such programmes could pursue at least two objectives: resolving violent conflicts and consolidating peace, and laying the groundwork for political reconstruction and new State legitimacy. In countries where violent conflicts persisted, reconciliation programmes could encourage the creation of political, economic, and social safety zones in which indigenous populations could safely raise a voice of reason and lay new foundations for a peaceful and just society.

39. Development activities in conflict situations were a new form of development cooperation that could contribute to the maintenance and strengthening of peace and reconciliation and sustain preventive diplomacy and other measures of a political nature. In war-torn societies, development cooperation activities could be channelled through programmes that focused on reintegrating potentially destabilizing elements, such as former combatants and youth, into the broader sphere of social and economic life. That might imply providing economic alternatives to such persons, offering them employment in civil police forces or using their services in mine clearance or reconstruction, even when the war had not been declared over. That might diminish the recruitment possibilities of warlords and help to contain a conflict.

40. Aid often had a negative impact on conflicts, either because resources were misappropriated or because the wrong ethical message was sent. Aid should be given in a way that helped people to disengage themselves from their conflicts by providing a safe space for non-war action and a safe voice for non-war ideas. That approach required a willingness to take risks. Although development aid could not sustain peace efforts, without it the opportunity to establish peace could get lost, as had been the case in Liberia and Afghanistan in 1996.

41. Financing was a critical element of, and a constraint on, conflict prevention and peace-building. Donor countries must be persuaded to make contributions for non-traditional peace-building activities, such as providing civilian security by disarming military forces, ending impunity and creating effective, apolitical security forces. In some cases, there was a need to respond flexibly and rapidly to restore the basic functions and capacities of States that were recovering from armed conflicts. To improve efficiency, timeliness and the quality of their support for peace-building efforts, aid agencies should enhance the flexibility of their funding procedures. Further, consultations among donors and recipients had to be initiated to review the definition of official development assistance (ODA) and the list of recipient countries that qualified for ODA in order to reflect current needs and realities.

42. The design and implementation of coherent and integrated policies for conflict prevention and peace-building required the strengthening of the United Nations system. Strengthening should take place through a reform process that trimmed down the system and adapted its instruments in order to improve the integration of development into political action. In 1992, in "An Agenda for Peace", the Secretary-General himself had proposed an integrated approach to human security and had drawn attention to the fundamental relationship between international peace and security and development in all its dimensions. The effective use of development aid for conflict prevention and peace-building as a complement to preventive diplomacy represented a major challenge for the consultative machinery within the United Nations as well as for its operational programmes. That required an integrated approach, with consultations on social, economic and environmental issues at a high level of decision-making, in line with those on peace and security.

43. Strengthening the United Nations development system through reform should focus on five needs. First, there was a need to integrate different policy instruments - political, military, relief, rehabilitation and development - within a coherent overall framework. Secondly, there was a need to hold deliberations on social, economic and environmental issues in the United Nations at the level of policy-makers themselves, namely, ministers of social and economic affairs. Thirdly, there was a need to be efficient by holding deliberations in a workable setting, which did not always involve all Member States and which lasted no more than two or three days. Fourthly, there was a need to trim the number of meetings and, consequently, the number of organs and secretariat units. That meant that States should not criticize a Secretariat that was servicing Governments as well as it could; they should instead streamline their own consultative machinery, weeding out overlap, merging agendas and orienting their work to problem-solving rather than deliberations. The Secretariat would then follow that example. Fifthly, there was a need to decentralize by not discussing each and every development issue in New York and not handling all projects from Headquarters but by focusing on areas of conflict or potential conflict and delegating authority to specialized agencies and field offices.

44. There were too many forums and agencies involved in humanitarian assistance and development, and those bodies should coordinate their activities. However, coordination should not become an end in itself, since it could impede quick action, centralize functions that were better decentralized and lead to general blueprints rather than situation-specific approaches. It was necessary to design a more coherent and efficient international system that did not undercut the vitality of its parts or the willingness to assume risks.

45. Strengthening the United Nations not only required a willingness to pay but also to reform. However, in order to make real progress in reforming the economic and social sectors, the discussion should be brought to a higher political level. Reform of the United Nations was more than the sum total of reforms of separate units throughout the system. Proposals and initiatives should relate to the overall system and should not be considered in isolation. In general, the discussion of reform should appeal to political leaders. However, that was not the case owing to the current proliferation of intergovernmental bodies, and a reduction in the number and membership of such

bodies was needed in order to enable them to carry out efficient, effective and relevant work. Any coherent approach to development, conflicts, security, stability and growth required that the specialized agencies should be brought within the jurisdiction of the Secretary-General.

46. The timeliness and effectiveness of United Nations performance in conflict situations could be enhanced only if a limited number of forums were involved. That applied both to agencies active in the area of humanitarian assistance and to United Nations development organizations. There should be only one United Nations agency dealing with the humanitarian aspects of post-conflict assistance and a much more reduced number of agencies involved in development. Ideally, there should be only one United Nations agency active in a certain area.

47. In the years ahead, there were likely to be even more countries half in war and half in peace. While stagnation in development led to conflicts, development itself was also a source of conflict. The current process of globalization increased that trend, since it led to greater neglect, greater marginalization, increasing poverty, more conflicts, more failed States and greater competition for scarce resources. It also led to more greed and frustration, and encouraged the imposition of Western values and more resistance and violence.

48. Strengthening the Organization's capacity for coherent and integrated conflict prevention could restore the sorely needed authority and credibility of the United Nations system.

49. Mr. WANG Xuexian (China), said that despite the opportunities for economic development which had arisen through the dynamics of capital and trade, and the encouraging accelerated economic growth achieved by some developing countries through their own efforts, the following realities must be kept in mind: those countries represented only a minority and their development was uneven and unsteady; they had begun their development processes late and from weak bases; and there was a widening gap between them and the developed countries. Over 100 countries with a total population of 1.6 billion now had lower per capita incomes than 15 years earlier.

50. Furthermore, irrational phenomena still existed in the world economic system which were hampering the development efforts of developing countries, including the stagnation of international cooperation in such areas as finance, debt, trade and the transfer of technology; the protectionism still practised by some of the major developed countries in international trade and economic activities; and the emphasis placed by those countries on the role of private capital and market mechanisms, while minimizing the responsibility of their Governments to meet their commitments with regard to official development assistance. There was also a growing tendency to attach conditionalities to international cooperation and a recent tendency to exaggerate the growth attained by the developing countries in an attempt to impose on them obligations which exceeded their levels of economic development.

51. At the United Nations Conference on Environment and Development, the international community had undertaken to establish a "new and equitable global partnership", and to that end the following elements must be taken into account.

52. First, the new and equitable global partnership must be based on equality and recognize that there was no single model for development that was universally applicable; since the world was characterized by diversity, there must be respect for the economic and social development model chosen by each country and any attempt to use aid as a leverage for exerting political pressure must be abandoned.

53. Second, the new global partnership must place economic cooperation for development at the centre of its attention; although the global conferences of recent years had reached consensus about sustainable development, affirming that socio-economic development and environmental protection were complementary, it should not be forgotten that economic growth would always be the foundation and engine of sustainable development and, therefore, that efforts to help developing countries achieve sustained economic growth should be the core objective of international cooperation for development.

54. Third, the new global partnership should be based on "common but differentiated responsibilities". In that respect, the developed countries should stop seeking immediate gain and, keeping long-term interests in mind, should create a favourable international climate through fulfilment of their commitments in the area of official development assistance and the adoption of effective measures to solve the debt problem of the heavily indebted countries, lift trade restrictions and expand access to markets. At the same time, they should step up technical cooperation and promote the transfer of technology to developing countries to improve their scientific and technological capabilities. The developing countries which had made progress in development should be assisted in maintaining their momentum so that the world economy could continue to benefit from it. Special understanding should be shown of the difficulties faced by the least developed countries and the African countries.

55. Fourth, the new global partnership should find expression in the democratization of international economic decision-making. Greater participation by the developing countries in that respect would safeguard their interests in the integration process. In that context, the United Nations must play an increased role in the consideration and formulation of macroeconomic policies, and better cooperation and coordination must be established between the United Nations and international financial and trade institutions.

56. Fifth, the United Nations had an important role to play in the establishment of a new and equitable global partnership and, for that purpose, the reform of the United Nations in the economic, social and related fields should focus on raising efficiency and strengthening its functions. Funding for development should also be increased because that was the only way to ensure that the issue of development was placed at the centre of the multilateral agenda.

57. Mr. AMMARIN (Jordan) said that, on the eve of a new century and a new millennium, economic stagnation, poverty and unemployment remained chronic in many parts of the world. Throughout the current decade, in various forums, conferences and debates, diplomats, economists, leaders and policy makers had talked about free trade, privatization, the free market economy, environmental

preservation and, in particular, sustainable development, which had been the theme of the major global conferences held during that period.

58. Although estimates on the achievement of sustainable development by the year 2000 were based on a figure of about 600 billion dollars, only 200 billion dollars had been pledged by the developed world, and the rest was the responsibility of the developing countries, whose total debt far exceeded that figure, especially in Africa. At the same time, structural adjustments continued to burden the developing countries that were already heavily indebted and were concentrating their efforts on servicing various types of debt.

59. Jordan had hosted the Middle East and North Africa Economic Summit, which had had the primary objective of assessing regional structures and policies which were essential for developing the region. Although representatives of business leaders from all over the world had attended, the prospects for investment in the region remained bleak.

60. In Jordan the agenda for development launched by the Secretary-General had been applied in all its dimensions. With regard to peace, Jordan had forged a peace treaty with Israel which represented a model for regional cooperation. As to the economy as an engine for progress, Jordan had successfully introduced a free market economy and had concentrated its efforts on privatization. On the environment as the basis for sustainability, Jordan had signed and ratified the three major conventions of the United Nations Conference on Environment and Development. It had also constructed a model of democracy with full parliamentary functions.

61. Recently, Jordan had paid a heavy price because of the application of harsh measures as part of the structural adjustment programmes established by the World Bank; when the subsidies on bread and foodstuffs had been lifted, the people had rioted in the streets. Although they understood that the Government was abiding by rules set by the World Bank, they felt frustrated because the levels of unemployment were reaching alarming levels. The heavy debt burden and debt servicing had made it difficult for Jordan to cope with the rapid changes in the world with its limited resources.

62. There was a need for serious North-South cooperation to improve growth and development, eradicate poverty and preserve the environment. The time had come to move from rhetoric to action-oriented plans, from dialogue to serious work and cooperation. The issues of debt, capital flows and investment remained crucial to the success of international initiatives and cooperation for growth and development. Efforts should be made to establish a new world financial order, allowing for greater cooperation between the United Nations and the Bretton Woods institutions, in order to create new and innovative methods to deal with the debt issue. Within that context it would be advantageous and important to modify the programme of work of the Second Committee and include an agenda item entitled "Enhancing cooperation between the United Nations and the Bretton Woods institutions for the creation of a new world financial order".

63. Mr. MARRERO (United States of America) said that with the end of the cold war a new global consensus based on democracy and market economies had emerged. A common vision had developed that sound financial and economic policies,

including development of human resources and respect for human rights, good governance, individual initiative and the private sector, were critical to creating an environment conducive to economic growth, environmental sustainability and social equity. The result had been the emergence of a globalized and integrated world economy and the strengthening of economic growth in both industrialized and developing countries.

64. The challenge facing the international community today was to broaden and deepen the current economic expansion; one clear obstacle to growth had been the unsustainable levels of debt in some of the poorest countries. The Bretton Woods institutions and the Paris Club had now reached agreement on a comprehensive approach to reducing the debt of several of the poorest countries to sustainable levels. The United States strongly supported the programme of action for the heavily indebted poorest countries.

65. The Midrand Declaration (TD/377), issued by the United Nations Conference on Trade and Development (UNCTAD), noted that the globalization of production and liberalization of trade offered opportunities for all countries and enabled developing countries to play a more active role in the world economy. The rapid and full implementation of the conclusions of the ninth session of UNCTAD was crucial to ensuring that the United Nations fulfilled its obligation to developing countries in trade policy and expansion. With regard to the issue of development, it should be remembered that capital flows to developing countries were expected to reach $200 billion in 1996. Private capital flows were driving that growth, and it was clearer than ever that private investment, both domestic and foreign, was the engine of development. It was thus clear that building and maintaining appropriate conditions for investment, both at the national and international levels, was a task for all.

66. Sustainable development was defined as economic growth which was socially equitable and environmentally sound. Good governance, namely honest, open and equitable government whose end product was stable, responsive and reliable public institutions and processes, was a prerequisite. One of the priorities of the United States in 1996 was the adoption of a United Nations declaration against corruption calling on Member States to criminalize illicit practices in international business. That was a issue that affected all and was particularly suited to United Nations action.

67. At the current session of the General Assembly there would be assessment of the collective implementation of the programmes of action and international conventions on the environment and sustainable development. Although much remained to be done, there had been important achievements since the convening of the United Nations Conference on Environment and Development: major treaties had been adopted, others were closer to universal application, and regional activity, particularly on ocean matters with the attainment of consensus on ways to address the problem of the shared resources of the marine and coastal areas, had been given new impetus.

68. The United States welcomed the recent entry into force of the International Convention to Combat Desertification and Drought, particularly in Africa. His delegation looked forward to the first session of the Conference of Parties to the Convention and joined its African partners in urging that contributions

should be forthcoming to facilitate the establishment of a permanent secretariat under the Convention.

69. The 1997 special session of the General Assembly on the implementation of Agenda 21 was a key priority for the United States. The Second Committee's debate on the special session should set the tone for the technical discussions to be held in the first quarter of 1997. In the view of his delegation, the Commission on Sustainable Development should not continue to review Agenda 21 in detail in accordance with its original multi-year programme of work, but address broad aspects of sustainable development. Given its mandate for sustainable development, it could be the primary functional commission of the Economic and Social Council. It should serve as a high-level political forum to address the entire range of sustainable development policies and programmes and should play a pivotal role in reviewing the integrated implementation of recent United Nations conferences.

70. The restructuring and revitalization of the United Nations in the economic and social and related areas was an endeavour that required recognition of the common interest. An excellent basis on which to work in that regard was provided by General Assembly resolution 50/227, which aimed at a more coherent and effective discussion that would enhance the contribution of the United Nations to the ongoing policy dialogue in various international forums.

71. His delegation was very heartened by the rationalization of Second Committee procedures and the improvement in the organization of the agenda, as well as by the inclusion of panel discussions and briefings on key issues. He was hopeful about the possibilities for promoting greater coherence and complementarity between the work of the Second and Third Committees. His delegation would also support efforts to use decisions, rather than resolutions, for issues of a procedural nature, to shorten the text of resolutions, and to cluster related items into omnibus resolutions. In that regard his delegation urged its partners to consider new steps to continue the restructuring and revitalization process so as to create a United Nations better able to implement the shared vision of a global economy.

72. The United States fully supported the proposals endorsed at the Lyon economic summit to merge the three Secretariat departments responsible for development under the authority of a single Under-Secretary-General. That official could also serve as Executive Secretary of the Economic and Social Council.

73. His delegation also supported the idea of reviewing the mandates of United Nations development organs to see whether a case for rationalization could be made, and, if so, whether some activities could be merged into UNDP. While that was an initiative that was within the authority of the Secretariat, it was important for Member States to help to determine what would work best and how the various United Nations agencies could best carry out their development tasks. In addition, Member States, as consumers, had a crucial role to play in efforts to rationalize the United Nations economic analysis and reporting system.

74. Mr. BAALI (Algeria), after stating his full support for the statement made by the representative of Costa Rica on behalf of the Group of 77 and China, expressed the hope that the measures adopted pursuant to General Assembly resolution 50/227 would enhance the efficiency and effectiveness of the work of the Second Committee, the forum in which the aspirations of the developing countries for a more just and equitable international economic order had traditionally been expressed.

75. The rapid transformation of international economic relations had led the international community to gear its thinking and activities to the goal of a world which embodied the notions of dialogue, cooperation, partnership and solidarity with a view to achieving development. In recent years, the developing countries had shown encouraging signs, and had even obtained important results, in the areas of growth, economic and financial reforms, increased integration into the world market and inflows of capital and investment. Nevertheless, such indicators were of relative significance; they did not reflect the trend in all regions of the South, where the general economic situation of most countries continued to be very troubling, as evidenced by the long list of least developed countries and countries in which poverty, hunger and disease continued to wreak havoc among broad segments of the population, particularly in Africa and small island developing States.

76. In that context, the globalization of the economy, characterized by the increasing standardization of development models owing to the widespread acceptance of market mechanisms, meant that special attention and all kinds of support must be given to the developing countries to assist them in mitigating the adverse effects of such globalization, lest the existing disequilibria between the North and the South be exacerbated and the vulnerability and dependency of many developing countries increased.

77. Many unresolved issues continued to plague the developing countries. With regard to the external debt, the initiatives taken by the Bretton Woods institutions and creditor countries to alleviate the debt burden of the poorest and most heavily indebted countries and to find solutions to multilateral debt were insufficient and of limited scope, and the situation of middle-income countries which met their obligations promptly and in full was likewise unresolved; hence a comprehensive and radical solution to the debt problem must be found.

78. He urged the international community to adopt specific measures to stabilize the international economic environment, thereby supporting the developing countries in their efforts to mitigate the political and social costs of structural adjustment policies and economic reforms, rather than simply limiting themselves to the re-establishment of their credit ratings and the liberalization of their markets at all costs. International trade, meanwhile, should be unencumbered by the disequilibria and anachronisms that had characterized it so far, and should give way to an open and well-balanced trading system which could promote sustainable growth in all countries. That would enable the countries of the South to increase their share of trade and to reduce substantially their dependence on foreign aid, while growth in those countries would provide the countries of the North with incentives and solutions to the problems plaguing their own economies, such as unemployment.

79. The next ministerial meeting of WTO, to be held in Singapore by the end of the year, should assess the implementation of the Uruguay Round agreements, focusing on the difficulties of the developing countries, especially the least developed and net food-importing countries, so as to ensure that all countries benefited from free trade and to sweep away any remaining protectionist or discriminatory notions.

80. Environmental protection was another area of concern which posed many challenges to the developing countries. During the special session which the General Assembly proposed to dedicate to the issue in 1997, the international community should make a sober appraisal of the progress achieved in the implementation of Agenda 21 and adopt specific measures reflecting the commitments entered into at the United Nations Conference on Environment and Development and other forums arising therefrom. In that connection, he urged the international community to confer on the International Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa, the recognition and resources which it required.

81. The eradication of hunger and malnutrition, from which 800 million people suffered worldwide, required the achievement of the necessary consensus and will at the highest political level. He expressed the hope that the World Food Summit, to be held in Rome in November 1996, would give due attention to the numerous aspects of food security for all.

82. The reform of the United Nations system should not be an end in itself, nor should it be viewed solely from the standpoint of cutbacks in programmes or the elimination of specific bodies, to the detriment of the Organization's smooth functioning and universal character. Hence, he was concerned at the trend towards resolving the financial crisis of the United Nations through facile solutions relying solely on reforms.

83. As to the efforts to formulate a development programme embodying the goals of the international community as a whole, he stressed the need to define a framework for action and determine the methods for carrying out a collective endeavour aimed at promoting, within a framework of genuine partnership, the fulfilment of the ideals of the United Nations as the instrument best suited to the promotion of international development cooperation, especially in the area of combating underdevelopment.

84. Mr. ABDELLATIF (Egypt) expressed concern at the tendency which had arisen recently to curtail the functioning of the United Nations system in the area of international development cooperation, contrary to the provisions of the Charter of the United Nations, General Assembly resolutions, the Declaration on the Occasion of the Fiftieth Anniversary of the United Nations and decisions adopted at international conferences during the 1990s.

85. The time had come to think about the threat posed by the Organization's neglect of social and economic issues, which could hamper the fulfilment of its mandates. Humanity faced the important task of fostering development, and yet, 50 years after the founding of the United Nations, and after it had superseded the confrontations of the cold war era, development appeared to play a secondary

role. Some questioned whether the United Nations should place so much emphasis on the maintenance of peace and security at the expense of development.

86. In view of the limited budgetary resources allocated to development, some sectors had shown a marked interest in broadening the purview of the financial institutions and intergovernmental organizations with respect to development issues, which would, in the long run, have the effect of reducing still further the participation of developing countries in the international decision-making process, contrary to the principles of the Charter and to the global dimension which should characterize the solution of the world's problems.

87. Some factors, however, should prompt the international community to strengthen the role of the United Nations. First, peace and security were intimately linked: development was essential to ensure peace and security, and poverty and a lack of development constituted a threat to stability. The provisions of the Charter were not confined to political issues, but rather sought the solution of all the problems affecting humanity. It was not a matter of promoting political measures only, but economic cooperation as well. Secondly, although development could be achieved only through national efforts, such efforts must be stimulated by international cooperation. In a world of increasingly integrated and interdependent economies, it was not possible to address development issues without relying on economic policy coordination in an international context. Thirdly, the end of the cold war, the commitments made at the international conferences held during the 1990s and the very nature of the international community were evidence of the consensus which existed on economic, social and environmental issues.

88. His delegation was convinced that the role of the United Nations must be strengthened and that available resources should be used to good effect, but it recognized at the same time that opinions differed as to how those issues should be addressed. In his view, the best way to strengthen the role of the United Nations in international cooperation for development was to revitalize its structures and strengthen its capacity through an increase in the financial resources allocated to it, to enable it to meet the needs of Member States appropriately. The work of the Organization should be founded on three basic principles: first, it should fulfil its commitments and should establish an appropriate relationship between programmes and the resources allocated to them; second, the restructuring of the United Nations should not be based on cost-cutting, but on achieving balance between peace-keeping activities and development; finally, the Organization should play an important role in advising Member States in areas having to do with international cooperation for development.

89. His delegation believed that the United Nations, a forum where the voice of all Member States could be heard and their points of view expressed clearly, could make a major contribution to development.

90. Mr. CAMACHO (Bolivia) said that the United Nations was the best instrument which the international community had for addressing issues relating to cooperation, solidarity and the problems facing humanity, on the basis of dialogue and coordinated effort. The Second Committee should pursue its

consideration of strategies for combating poverty, international cooperation for sustainable development, and international trade, among other agenda items.

91. On the basis of reports prepared by the World Bank and the Economic Commission for Latin America and the Caribbean, he noted that, during the 1990s, the richest 20 per cent of the world population had received 60 times more than the poorest 20 per cent, as against 30 times more during the 1960s. That dramatic contrast highlighted the need to increase productive cooperation with developing countries. Such cooperation should take the form of increased support and investment in human capital with the aim of establishing trade relations on a more equitable basis, since know-how, information and use of new technologies currently represented a country's greatest competitive advantage. Hence the concern about the negative and declining trends of some sources of financing, which did not match the efforts being made by the majority of developing countries to adapt their structures to the current requirements of a changing world.

92. The United Nations Conference on Environment and Development had been one of the most outstanding international events of recent years. Bolivia had participated actively in organizing a meeting of the Latin American countries at the level of Head of State and Government to be held in Santa Cruz de la Sierra, Bolivia, in December, at which the thrust of national and international actions for sustainable development would be defined, including economic, social and environmental goals, and the importance of obtaining new and additional resources for the financing of the plan of action to be adopted would be reaffirmed. He was confident that inter-American solidarity would lead to positive results.

93. Since 1993, his Government had been pursuing simultaneously processes aimed at transforming the State, promoting social participation, adapting the production base to the changes in contemporary international life and strengthening democratic and participatory institutions, in the belief that economic development must be compatible with concern for nature and the environment. In other words, it should take place within a framework of sustainable development and respect for ethnic and cultural diversity. His Government attached the highest priority to efforts to combat poverty and, in that context, sought to increase employment opportunities and improve the quality of life for Bolivians in order to build a modern, decentralized and participatory State through policies favouring citizen involvement, educational reform and privatization of the major public enterprises.

94. In 1996, Bolivia was responsible for providing the secretariat of the Rio Group and, in that capacity, had hosted the sixth meeting between the Ministers for Foreign Affairs of the Rio Group and the European Union in April, at which the desire for joint action between Latin America and the Caribbean and Western Europe had been endorsed. It had also hosted the meetings of Heads of State or Government of the countries of the Rio Group on the tenth anniversary of the Group. He drew the Committee's attention to document A/51/375, which contained the declaration of the Tenth Summit of Heads of State and Government, and emphasized that all those events revealed the importance of the process of political integration and coordination in the countries of Latin America and the Caribbean to the pursuit of their common goals.

95. Mr. AMORIM (Brazil), speaking on behalf of the members of the Common Market of the Southern Cone (MERCOSUR) and Bolivia and Chile, said that world economic recovery coincided with fundamental transformations related to the globalization of production and trade liberalization which, while representing a unique opportunity to achieve major progress in the developing countries, also presented such risks as the volatility of financial flows and their possible destabilizing effects and the emergence of new forms of protectionism, which were cause for great concern, as were the ever-growing disparity between rich and poor, and the risk that, without the determined support of the international community, many countries would remain permanently at a disadvantage in the world economy.

96. As a result of the major conferences held during the 1990s, the international community had adopted a development model that encompassed objectives in the areas of economic growth, social progress, environmental protection and respect for human rights, which the member countries of MERCOSUR and Bolivia and Chile had decided to make into reality. At the national level, that decision had been expressed in the processes of trade liberalization, privatization, macroeconomic stabilization, modernization of the public sector, combating corruption, reduction or elimination of public deficits and more efficient use of public resources. At the international level, MERCOSUR was a basic element in the strategy for dynamic integration of the economies of its members into the global context and for peace-building in the region.

97. He drew attention, firstly to the consolidation of the MERCOSUR common external tariff and the continuing progress towards a single market, and secondly, to the opening up of the economy. The latter was reflected in the agreement, signed in June 1996, establishing an association between MERCOSUR and Chile for the creation of a free-trade area; in the forthcoming incorporation of Bolivia as an associate member of MERCOSUR; in the negotiations with States of the Andean Group which would be held during the following six months and were expected to lead to the signing of important agreements; in the concrete progress towards the creation of the Free Trade Area of the Americas (ALCA); and in dialogue with bodies in other regions, which had led, inter alia, to the Interregional Framework Agreement with the European Union and to closer ties with other groups of developing countries, particularly the Southern African Development Community (SADC), in keeping with the spirit of South-South cooperation which embodied MERCOSUR.

98. During the first half of the current decade, there had been a series of conferences leading to major commitments and new development models, whereas the second half was witnessing a movement of institutional reform and follow-up to those conferences. Such reforms were needed, and all the tasks called for in General Assembly resolution 50/227 should be carried out, especially the strengthening of the Economic and Social Council and the satisfactory completion of an agenda for development, as well as a review of mechanisms for implementing the commitments entered into in the 1990s and for integrated follow-up to development conferences.

99. The MERCOSUR countries believed that there was a need to reform United Nations bodies and adapt the Organization's structure and methods in order to optimize the effectiveness of its human, material and financial resources;

however, the ultimate goal of the reforms should be to strengthen the role of the United Nations. It was regrettable that many proposed reforms were motivated mainly or wholly by the financial situation and budget cuts. Although there was a need to reduce expenditure, make more efficient use of resources and establish priorities, to deprive the United Nations of the essential means to fulfil its functions was not the best way to ensure greater efficiency.

100. Mr. SOBHAN (Bangladesh) endorsed the statement made by Costa Rica on behalf of the Group of 77 and China. In order to rationalize the Committee's general debate, the time-limit for statements should be reduced to 10 minutes, which would make the Committee focus on priority concerns. Resolutions should also be more concise; the preambular part should be shorter and the operative part should be made more concrete, avoiding repetition. Also, consultations prior to the adoption of resolutions should be more universal. That would enable all delegations to see their opinions reflected in the resolutions, which would lead to improved efficiency.

101. There were statistics indicating a recovery of the world economy and predicting that that trend would continue in the foreseeable future. The economies of most developed countries had shown sustained growth with subdued inflation and low interest rates. However, there were marked regional differences and not all countries benefited equally from the situation. Indeed, the gap between the small and vulnerable countries and the rest of the world continued to widen.

102. The growth rate in most of the least developed and African countries was far from attaining acceptable levels. Some other least developed countries had stagnant economic growth, and in others development had been set back considerably. In those least developed countries whose economies had attained relatively satisfactory levels, the growth rate was still insufficient to generate employment and reduce poverty. Also, growth could be brought to an abrupt halt by falling world commodity prices. Even where growth rates had picked up, macroeconomic imbalances continued, deterring private sector investment. Declining flows of development assistance, limited market access, and unsustainable debt burden, inability to obtain technology needed for development or non-discriminatory and concessional loans cast a shadow over the most optimistic economic conditions.

103. It was paradoxical that in spite of the prosperity enjoyed by the developed world, the aid budgets of most traditional donors had been shrinking. In addition, commitments entered into at recent international conferences had not been sufficiently put into effect. On the one hand, the majority of developing countries had worked hard to create the conditions necessary for receiving economic aid for their development and, on the other hand, the major donors, motivated by political considerations, continued to reduce that aid, setting aside their commitment to participate effectively in development. That situation jeopardized all the reforms that had been achieved by the majority of the developing countries at great social cost.

104. Countries with fewer economic resources, particularly some African countries, were observing that their considerable efforts to achieve development could be seriously impeded by the debt problem. Although some creditors had

taken steps to alleviate the situation, the measures adopted remain grossly inadequate. Only a bold initiative by the international community could restore the ailing economies of many developing countries to a sustainable level.

105. The least developed countries accounted for only 0.3 per cent of world trade. The lifting of protectionist restrictions to which that slight volume of products was subjected could substantially increase those countries' income and help to reduce their dependence on outside assistance.

106. Cooperation among the developing countries could have a considerable impact in the area of international economic and technical cooperation. Sharing the wealth of development experiences among those countries could produce highly positive results for the countries of the South. He therefore welcomed the initiative to convene a South-South conference on cooperation in trade, investment and finance, to be held in San José, Costa Rica, in January 1997. Traditional donors must support exploration of arrangements for cooperation among the countries of the South. His delegation urged the international community to renew its commitment in that respect and to establish triangular partnerships to search for untapped opportunities in mutual cooperation.

107. Finally, he said that despite the consensus achieved at the global conferences on how to address development issues, the mobilization of political will for achieving practical results was still lacking. The role of the United Nations in that respect was increasingly important. Effective mechanisms must be established to ensure that the commitments, recommendations and measures adopted at international forums were implemented both at the national and global levels.

108. The CHAIRMAN said that consideration should be given to the proposal of Bangladesh to limit further the length of statements.

The meeting rose at 5.45 p.m.

UNITED NATIONS

General Assembly

FIFTY-FIRST SESSION

Official Records

SECOND COMMITTEE
4th meeting
held on
Tuesday, 15 October 1996
at 3 p.m.
New York

SUMMARY RECORD OF THE 4th MEETING

Chairman: Mr. HAMBURGER (Netherlands)

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GENERAL DEBATE (continued)

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The meeting was called to order at 3.05 p.m.

GENERAL DEBATE (continued)

1. Mr. BOHAIEVS'KY (Ukraine) referred to the crisis which many countries continued to face owing to the serious problems of underdevelopment, poverty and environmental pollution, despite the general recognition that the attainment of sustainable socio-economic development was an essential condition for maintaining international peace, stability and security. A stronger and more effective United Nations was therefore needed in order to overcome those negative trends and to meet new responsibilities at the threshold of a new millennium.

2. Although the Member States and the Secretary-General had made efforts to restructure and revitalize the United Nations system, the time had come to take more decisive and action-oriented steps. Member States should focus their attention on the establishment of a legal basis for increasing the level of global coordination of activities in the field of international economic security in order to prevent economic coercion and discrimination. The establishment of a Council on Economic Security, proposed by the President of Ukraine, Mr. Leonid Kuchma, at the Special Commemorative Meeting on the occasion of the fiftieth anniversary of the United Nations, would also help to achieve that goal. The proposal was not designed to introduce radical changes in the structure and Charter of the United Nations or to create a new body within the system, but rather to grant greater authority to the existing bodies, in particular the Economic and Social Council, on the basis of Article 65 of the Charter.

3. Consideration must also be given to the possibility of the General Assembly becoming a forum for finding solutions to major global problems rather than organizing United Nations global conferences on social, economic and related issues. There should be a linkage between the items submitted to the General Assembly during its special sessions and to the Economic and Social Council during its substantive sessions.

4. His delegation believed that General Assembly resolution 50/227 constituted an important step towards the revitalization of the United Nations in the economic and social fields. It also trusted that the activities of the Ad Hoc Open-ended Working Group of the General Assembly on an Agenda for Development, in particular those relating to its third chapter, which called for the definition of the future role of the United Nations system in the field of development, would be successfully completed.

5. Taking into account the Organization's current financial situation, a systematic dialogue between the United Nations, the Bretton Woods institutions and other financial agencies should be encouraged in order to obtain additional sources of financing for development. The United Nations should also have greater authority to establish mechanisms for coordination between the international financial institutions and the World Trade Organization (WTO). His delegation believed that those institutions should allocate additional resources to speeding up socio-economic change in countries with economies in

transition and in the developing countries, whose integration in the world economic system would benefit the entire international community and would form the basis for a new global partnership for economic development.

6. In that context, he noted with satisfaction Member States' growing understanding of the problems faced by countries with economies in transition, which had translated into an increase in the resources allocated by the United Nations Development Programme (UNDP) to its operational activities in the Eastern European countries, including Ukraine. He also expressed appreciation for the work of the Economic Commission for Europe in creating a favourable climate for the integration of those countries in the global and European economies.

7. Ukraine had just completed a very important stage of consolidation. On 28 July 1996, it had adopted a new Constitution which reaffirmed the will and determination of the Ukrainian people to build an independent and democratic State governed by the rule of law, where the highest social value was attached to the promotion of human rights. The year before, significant progress had been made in implementing its economic reform programme. For the first time, more than half the gross domestic product had been generated by the private sector, and more favourable conditions for national and foreign investors had been created through the ongoing privatization process, the completion of the first phase of financial stabilization, the gradual liberalization of domestic and foreign trade and the introduction of a new national currency.

8. Those reforms had been painful for the population and had required greater international assistance owing to the fact that Ukraine still suffered from the grave consequences of the Chernobyl disaster. In that connection, his delegation appreciated the encouraging remarks of the Secretary-General in his report on the work of the Organization (A/51/1, para. 573) on the consequences which the Chernobyl disaster had had on the population of the three affected countries and the need for greater support from the international community in order for the Organization to continue its efforts (ibid., para. 575); it hoped that Member States would respond appropriately to that message.

9. Ukraine welcomed the recent termination of the sanctions regime imposed against the Federal Republic of Yugoslavia (Serbia and Montenegro), and had also declared its willingness to join in the restoration and reconstruction process in Bosnia and Herzegovina and other countries of the former Yugoslavia. At the same time, it continued to attach great importance to the implementation of United Nations General Assembly resolutions on economic assistance to States whose economies had been seriously affected by the sanctions regime. Ukraine hoped that such attention would not be limited to one group of countries only and that the Organization would provide adequate assistance to compensate for the heavy losses suffered by Ukraine, in particular, during the years in which it had implemented Security Council decisions strictly.

10. Mr. LAVROV (Russian Federation) said that economic issues played an increasingly vital role in international relations owing to, inter alia, the intensification of world economic development, the globalization of trade, investment and financial flows, the interdependence of the economies of separate countries and regions and the development of modern technologies. The world

must be prepared to take advantage of the vast opportunities offered by globalization and must also be aware of the risks and consequences of the process for certain countries and regions.

11. While in 1995 nearly one third of direct foreign investment had gone to developing countries, a level seven times higher than the average annual level of the 1980s and three times higher than the 1991 level, only 12 countries had contributed 80 per cent of those investments. Official development assistance provided to the poorest countries was also beginning to shrink in real terms.

12. The countries with economies in transition had achieved a certain measure of stabilization in 1996; however, their development continued to be uneven. The volume of foreign direct investment in that group of countries - around $13 billion in 1995 - was limited and there were still barriers to placing their exports on the world market. That confirmed the importance of continued support by the international community for reform, macroeconomic stabilization and structural adjustment in those countries; the United Nations had a role to play in that regard. On the whole, his delegation commended the activities of the Organization for countries with economies in transition and trusted that the conference on sustainable development of economies in transition, to be held in Minsk (Belarus) in 1997, would give further impetus to such work.

13. The Russian Federation was going through a critical stage of its development. Substantial progress had been made in the establishment of a market infrastructure, privatization, the creation of a viable private sector, liberalization of foreign economic activities and financial stabilization. His Government attached considerable importance to boosting investment, particularly in the manufacturing sector. Foreign investment in the Russian Federation currently stood at $9 billion; it was hoped that the inflow of foreign investment would reach from $3 to $3.5 billion during the current year.

14. No less important was the task of facilitating the access of Russian exports to world markets by lifting the tariff and non-tariff barriers set out in the legislation of certain Western partners. To that end, the Russian Federation wished to join WTO as soon as possible and expected the first WTO ministerial meeting, to be held in Singapore in December 1996, to produce tangible results.

15. Regarding the debt problem, his Government had signed an agreement with the Paris Club on a comprehensive mid-term restructuring of its debt, and another accord with the creditors of the London Club on rescheduling its commercial debt. His Government was prepared to negotiate with its debtors on a bilateral level and within the framework of the Paris Club. Moreover, his Government had stated at the meeting of the IMF-World Bank Development Committee in September that it intended to participate in those organizations' initiatives to effectively resolve the problem of indebtedness of the poorest developing countries. His Government's recent agreement with Nicaragua on the settlement of its debt to the Russian Federation provided an example of such participation.

16. His Government was seeking not only to achieve its goals but also to facilitate the settlement of international macroeconomic problems. His delegation therefore welcomed the measures agreed at the Lyon Summit and by the

IMF-World Bank to ease the foreign debt burden of the most indebted countries, especially the decision to sell part of the Fund's gold reserves.

17. His delegation had taken note of the concrete albeit modest results of the efforts to restructure the United Nations, especially General Assembly resolution 50/227, and trusted that the main provisions of that resolution would be fully and promptly implemented. In addition, his delegation took note of the progress achieved in drafting an agenda for development and hoped that extending the mandate of the group entrusted with that task would prevent further delays. In that respect, his delegation favoured adoption of the agenda as an integrated document that would include a chapter on institutional issues.

18. His delegation attached great importance to the 1997 Special Session of the General Assembly to review the progress on implementation of follow-up to the United Nations Conference on Environment and Development; the Special Session should formulate recommendations that would include institutional support measures. It should also stress that the principle of a common but differentiated responsibility for promoting sustainable development should be based on a realistic evaluation of the financial and economic situation of each State. His delegation took note of the revitalization of the United Nations Conference on Trade and Development (UNCTAD) that had been initiated by the Midrand Declaration adopted at the ninth session; his delegation also welcomed the positive results of the Habitat II Conference and expected similar concrete results from the forthcoming World Food Summit.

19. Mr. LOZANO (Mexico) said that the real success of the new measures to restructure and revitalize the United Nations in the economic and social fields depended on the political will of States to give international cooperation for development the important place it deserved among the issues addressed by the Organization.

20. International cooperation for development should be geared towards establishing a more favourable and dynamic international climate to support developing countries' efforts to eradicate poverty and achieve economic and social progress.

21. The increasing globalization of the international economy and the liberalizing and modernizing efforts of many countries necessitated effective consultation and cooperation mechanisms that would promote the full exploitation of trade and investment opportunities. The repercussions of what had been called the Mexican crisis provided food for thought regarding the vulnerability of the international financial system and the need to ensure that it responded more promptly and effectively to the new conditions of the world economy. Accordingly, his Government believed that it was of prime importance to re-examine the structure of contributions to and decision-making in IMF and other international financial institutions in order to ensure a true reflection of the current importance of the various economies in the international community. Since the task of organizing the international financial system as efficiently as possible was the duty of the international community as a whole, it was appropriate that the debate on that issue should also be taken up as a matter of priority in the debates of the United Nations.

22. His Government attached particular importance to the work of UNCTAD and noted with satisfaction the important agreements reached during its ninth session. His Government awaited with interest the conclusion of the process of restructuring UNCTAD.

23. The Uruguay Round of negotiations had augured well for the integration of developing countries into the international trading system. However, in various key sectors the results of the Uruguay Round had not lived up to those expectations. In that regard, the next WTO ministerial meeting would provide an opportunity to examine the status of implementation of the agreements reached during the Uruguay Round, the direction of the multilateral trading system and its contribution to the goal of establishing an open, equitable, secure and rule-based trading system. His delegation believed that the ministerial meeting should concentrate on identifying activities, adjustments and additional measures which would give full effect to the commitments entered into during the Uruguay Round, in particular implementation of the agreements on tariff abatements and opening up of markets. Those agreements should be applied in exactly the form in which they were agreed. Subsequently, WTO should concentrate on trade-related issues where consensus already existed; it should try to avoid dissipating its efforts in other fields.

24. International trade was a key instrument for accelerating global economic growth and development. In that connection, his delegation was deeply concerned that, using the pretext of freedom, democracy or the environment, laws were being promulgated and unilateral restrictions were being imposed which undermined free trade and violated international law and the trading practices negotiated at the multilateral level. His Government reiterated its opposition to the promulgation and application of laws and provisions affecting the sovereignty of third States, specifically the Cuban Liberty and Democratic Solidarity (Libertad) Act, known as the Helms-Burton Act, which had recently been adopted by the Congress of the United States of America. That act violated international law, and accordingly his delegation wished to draw the attention of the Committee to the opinion delivered by the Inter-American Juridical Committee of the Organization of American States, contained in document A/51/394.

25. Regarding the Special Session of the General Assembly to be held in June 1997 to evaluate implementation of Agenda 21, his delegation believed that an exchange of opinions should begin during the current session with a view to outlining the principal themes of the Special Session. The Special Session should provide an opportunity to assess the progress that had been made in implementing the commitments entered into at the United Nations Conference on Environment and Development, identify areas where insufficient progress had been made and the reasons for the failure to meet deadlines, and formulate the necessary corrective measures. The role of the Commission on Sustainable Development should likewise be examined, as should its relations with other organizations in the United Nations system which also carried out activities in the field of the environment and development.

26. Against the backdrop of increasing globalization, economic success was closely linked to industrial and technological competitiveness. The work of the United Nations Industrial Development Organization (UNIDO) therefore assumed a

special importance. In order to respond to industrial realities and changing support needs, UNIDO had already carried out internal reforms and substantially reformulated its priorities and approach. UNIDO had been a pioneer of reform within the United Nations system, and its important achievements had been acknowledged by Member States to be an example to other bodies.

27. Mr. OWADA (Japan) said that with the end of the cold war and the evolution of an environment characterized by ever-increasing globalization and economic interdependence, the international community had made some progress in its efforts to promote development, particularly in Asia and Latin America. However, the role of the United Nations in that area continued to diminish. His delegation appealed to all Member States to commit themselves to formulating a creative strategy within the United Nations in order to continue promoting international cooperation in the field of development. In turn, the effective implementation of such a strategy necessitated reform of the Organization in order to bring its work more into line with the provisions of the Charter.

28. Global health and stability depended on the international community's assistance for the development of the developing and least developed countries, particularly in Africa, so that they could be integrated into the increasingly dynamic world economy. The United Nations should commit itself fully to accelerating that development process on two fronts. On the one hand, it should move quickly to adopt a new and innovative approach and then implement it. On the other hand, it should carry out a series of reforms in the economic and social fields. His delegation reiterated that work on those two fronts should be carried out simultaneously.

29. His Government advocated a new and highly effective development strategy whereby the international community would establish a common set of targets, and developing countries, by assuming responsibility for their own development, would establish plans for achieving them. The subsequent efforts of both parties to implement those plans would be complemented by well-coordinated assistance from developed countries, international organizations, the private sector and non-governmental organizations. The innovative element of the strategy lay in the integrated nature of its components, which formed an organic whole.

30. At the same time, the United Nations should reform itself at different levels, for example the General Assembly, particularly its Second Committee; the Economic and Social Council and its subsidiary bodies; and other development bodies and agencies active in promoting development. The reform should be comprehensive, and it should therefore proceed in parallel with reforms in other areas such as finances, administration, and security.

31. In order for the new approach to be successful, the principal partners in the development process, including bilateral and multilateral donors, had to work together. Since the United Nations represented the international community and therefore occupied a privileged position, it could act as a catalyst through the intermediary of its organs and, where necessary, through reform. In particular, more vigorous efforts should be made to promote collaboration with the Bretton Woods institutions and the Development Assistance Committee of the Organization for Economic Cooperation and Development. Such efforts should

extend beyond the existing policy dialogue held at the annual high-level segment of the Economic and Social Council.

32. With effect from the fifty-first session of the General Assembly, his Government intended to make a particular contribution to South-South cooperation and the development of Africa. His delegation considered South-South cooperation to be the most important example of a development cooperation strategy based upon partnership and called on all interested countries to cooperate in promoting that form of cooperation, which did not differentiate between donors and recipients. It was a form of genuine cooperation between all partners in the process. It could typically be observed in technical cooperation projects in which more advanced countries dispatched experts to less advanced countries in order to provide advisory services. One of the most successful examples was the rural development and resettlement project in Cambodia, in which Japan and members of the Association of South-East Asian Nations (ASEAN) were participating together with the United Nations Development Programme (UNDP). The project had set a significant precedent in the area of triangular cooperation, in that it incorporated the participation not only of developed countries but also of the United Nations.

33. During the previous two sessions of the General Assembly, his delegation had sponsored draft resolutions on South-South cooperation which had yielded tangible results, namely, the Intergovernmental Meeting of Experts on South-South Cooperation, held from 31 July to 4 August 1995 with participants from 26 countries and nine international and regional organizations, and the Voluntary Fund for the Promotion of South-South Cooperation established within UNDP. His Government intended to promote further concrete South-South cooperation activities and had earmarked $2 million of its contribution to the Japan Human Resource Development Fund established within UNDP. While that Fund was available for various purposes in the field of human resources development, including South-South cooperation, it was expected that it would be specifically incorporated into or utilized in conjunction with the newly established Voluntary Fund. In addition, his Government wished to continue to utilize its Japan Women-in-Development Fund for the general purpose of promotion of South-South cooperation.

34. Within the United Nations, the Special Unit for Technical Cooperation among Developing Countries, which operated within UNDP, should serve as the focal point for promoting South-South cooperation. Its function should be strengthened so that it would be better able to carry out the tasks entrusted to it. His Government would accordingly make the necessary contributions.

35. Since the formulation of concrete projects or programmes was clearly the key to promoting South-South cooperation, his Government intended to hold a series of informal meetings to discuss effective measures to enhance such work at United Nations Headquarters by garnering the opinions of interested Member States and agencies.

36. Regarding the issue of development of Africa, he reminded the Committee that in 1993 Japan had played host to the economic summit of the seven major industrialized countries in Tokyo and had proposed a new development strategy in the context of the newly emerging realities of the post-cold-war era. That

initiative had formed the basis of the Tokyo International Conference on African Development which Japan had subsequently organized. In the international environment of the post-cold-war world, the development of Africa was one of the most pressing issues facing the international community.

37. It terms of per capita income, the gap between developed countries and the poorest countries in the world had continued to widen. It had to be borne in mind that the economic take-off of a number of African countries through economic development would benefit not only the peoples of Africa but also the rest of the world by realizing a full-fledged integration of African economies into the international economic system. That conception of a new development strategy had at last come to be accepted by the OECD Ministerial Meeting of May 1996 and had subsequently been incorporated in the economic declaration made by the seven major industrialized countries at their summit in Lyon.

38. As Chairman of the meeting to conduct the mid-term review of the United Nations New Agenda for the Development of Africa in the 1990s, his delegation had done its utmost to ensure that the assessment in the review was made on the basis of the concept of the joint responsibility of the international community, including the nations of Africa and the rest of the world, for the development of African countries. At the same time, it had endeavoured to ensure that progress in the future should be promoted on as practical and as specific a basis as possible. Those efforts had yielded two positive results: first, while there remained serious points of disagreement among Member States, it had been possible to arrive at a consensus owing to the spirit of partnership which had guided the negotiations; second, the structure and contents of the final document had reflected the common determination of the participants to rid themselves of the psychological inertia of the cold-war era by eliminating all divisions and confrontations between the interests of the donor community and the recipient community in Africa. That achievement was a further example of effective partnership at the United Nations.

39. Finally, his delegation wished to stress the critical importance of implementation of the New Agenda and the adoption of additional concrete measures. Every effort should therefore be made to achieve that end while considering how those activities could contribute to the positive results of the Second Tokyo International Conference on African Development, to be held in 1998.

40. Mr. BARRETO (Peru) said that developing countries were being increasingly marginalized as a result of the accentuation of extreme poverty and other socio-economic ills, such as lack of employment, population growth, degradation of the environment and social inequalities. Confronted with that situation, the United Nations must develop an effective response capability, backed by the international community, in particular the industrialized countries, in support of the extraordinary efforts being made by many regions of the world to emerge from severe economic crises. The level of political commitment to the United Nations must be reflected in contributions to economic and social development aimed at supplementing the domestic efforts being made by various countries.

41. His delegation was of the opinion that, notwithstanding the progress made in the implementation of General Assembly resolution 50/227, much remained to be

done in terms of a more in-depth review of the functions and mandates of many of the Organization's development organs, with a view to adapting them to current economic and political development. That process must go hand-in-hand with a deepening of the links between the United Nations, the Bretton Woods institutions and the World Trade Organization. The reappraisal of the Committee's agenda fell within that context, and must take into account the revitalization of the intergovernmental dialogue on economic questions.

42. Notwithstanding the consensus on the eradication of poverty, one of the central objectives of the United Nations, resources to meet unsatisfied needs and demands were in short supply. There was a need for specific commitments to fund development activities since it was not enough to tackle problems of coordination and overlapping of functions of certain bodies, funds and programmes at Headquarters and in the field; external support for internal capacity-building activities must be redoubled.

43. It was true that the unsustainable levels of debt of the poorest countries constituted an obstacle to their development, as pointed out by the United States delegation, but consideration must also be given to the severely indebted middle-income countries, since more pronounced market imbalances could destabilize major international financial markets and seriously affect the world economy.

44. He urged Member States to grant the Commission on Sustainable Development the status of a high-level political forum entrusted with reviewing development policies and programmes in accordance with Agenda 21, on the basis of a comprehensive and multidisciplinary conception of sustainable development.

45. While the slow progress in implementation of an agenda for development gave cause for concern, the fundamental problem lay in the low level of commitment, which was reflected in language that was not geared towards the adoption of measures. The agenda for development should be pragmatic and well thought out, and should help countries in their development. In that regard, his delegation supported the proposals to take stock of the work of the Working Group on an Agenda for Development so as to see what had been accomplished and where its work was leading.

46. Mr. DANESH-YAZDI (Islamic Republic of Iran) said that, while the world economy was expected to grow at around 2.5 per cent for the third year in a row, that rate was lower than the average in the 1980s. In many developing countries the growth in per capita gross domestic product had been small, with average levels remaining, in real terms, the same as in 1980. Developing countries also accounted for a small proportion of global and long-term credits and loans, owing to their limited capacity for debt servicing, a situation that was aggravated by the increasing conditionality attached to the granting of loans. To reverse that trend, promotion of direct investment and official financial flows was imperative.

47. In 1995 net direct investment flows towards capital-importing developing countries had been estimated at $64 billion, but the fact that those flows had been highly concentrated in a small number of countries should not be overlooked. In addition, the sharp decline in official development assistance

continued. There was every indication that that trend would persist in coming years. It doubtless arose from a failure on the part of donor countries to understand that those resources, in the long run, would contribute to the maintenance of international peace and security. In that regard the equitable distribution of official development assistance merited due attention and consideration. Given the state of the world economy, prospects remained uncertain, even though the international community had recognized the urgent need for a positive investment climate and an open, rule-based, equitable, secure, non-discriminatory, transparent and predictable trading system.

48. It was of particular importance for States to comply fully with the norms and principles of international law in general and the Charter of the United Nations in particular. Such considerations had prompted the General Assembly to declare the period 1990-1999 as the United Nations Decade of International Law. Despite that universal commitment, certain States had resorted to unilateral measures, including the promulgation and application of domestic laws and regulations whose extraterritorial impact severely infringed on the sovereignty of other States and undermined the very foundations of relations among States. Such practices created an environment which adversely affected the economic and social development of the countries targeted. The adverse effects included an increase in poverty, a reduction in the financial resources that were vital for development, the placing in jeopardy of fiscal and monetary policy and economic reform, and an erosion of the capacity of the country targeted to participate fully in world trade and capital markets. The international community could not accept or tolerate such unilateral policies and practices which, if not combated at an early stage, would have irreversible consequences, since they undermined credibility and trust in international endeavours.

49. With regard to the Committee's agenda, while international development cooperation constituted the pillar of common efforts to promote economic growth and sustainable development, there were signs of unwillingness on the part of some States to implement agreed commitments and the programmes of action of the major United Nations conferences. That was of particular importance in the preparatory process for the World Food Summit, which would deal with the fundamental right of every human being to be free from hunger and malnutrition, international cooperation for the elimination of unilateral economic and trade measures, eradication of poverty, and international mobilization and channelling of technical, technological and financial resources so as to improve access to food for all.

50. In the view of his delegation, the special session to be held in 1997 by the General Assembly on Agenda 21 would provide a unique opportunity to identify and remove barriers to its implementation. At the special session there should be an overall assessment of progress achieved in the implementation of the decisions of the United Nations Conference on Environment and Development; the strengthening of cooperation at all levels; the provision of new and additional resources, including through attainment of the target of 0.7 per cent of gross national product to be allocated by the developed countries for official development assistance; the degree of responsiveness of existing financial mechanisms, particularly the Global Environmental Facility; the transfer of environmentally sound technologies; access to information and know-how; unsustainable consumption and production patterns, particularly in developed

countries; the eradication of poverty; the degradation of the environment, and the problem of refugees and internal migration; and the strengthening of the institutional basis for the implementation of decisions taken at the Rio conference.

51. With regard to follow-up to the Conference on Human Settlements, matters relating to international cooperation, the right to adequate housing and the role of the United Nations Centre for Human Settlements might provide the bases for further discussions and decisions. In that regard strengthening the functions of the Centre, which should focus on well-defined objectives and strategic issues, could help to implement the Habitat II agenda.

52. With regard to the Framework Convention on Climate Change, the developed countries were apparently unable to fulfil their commitments regarding emissions of greenhouse gases within the agreed time limit, and the situation in developing countries, considering their limited technical and technological capabilities, was likely to be the same. Under such circumstances, the introduction of additional instruments further increasing the commitments assumed by developing countries did not correspond with realities on the ground, and was not even consistent with the provisions of the Convention itself.

53. The tenth session of the International Negotiating Committee for the Elaboration of an International Convention to Combat Desertification, to be held in January 1997, would be the last preparatory session of the Committee before the first session of the Conference of the Parties was convened. Accordingly he urged the international community to give priority attention to the negotiations on the mandate and functions of the Global Mechanism for mobilizing and channelling resources to the developing countries affected. Otherwise there would be little likelihood that the Convention would be implemented.

54. His delegation believed that, in the reform process, the issue of development should be at the forefront of United Nations priorities and action. In that connection concepts such as division of labour or comparative advantage were not proper arguments for weakening the specialized agencies or the bodies, funds and programmes with development mandates.

55. Lastly, it should be noted that macroeconomic and related issues - including external debt, access to markets, financial and investment flows, and full and effective participation by developing countries in the decision-making processes of the United Nations system and the Bretton Woods institutions - should continue to be discussed in order to achieve action-oriented solutions based on equity and cooperation.

56. Mr. WILMOT (Ghana), after endorsing the statement by the representative of Costa Rica on behalf of the Group of 77, said that the apparently encouraging statistics on the world economy published by different sources concealed disturbing economic and social realities. Real income in most developing countries was less than in the 1980s, as illustrated by the fact that, in Africa, average per capita income had been $657 in 1995, compared with $721 in 1980. Indicators published in the 1996 Human Development Report revealed that the number of people living in absolute poverty and lacking basic social services continued to grow. That stemmed in part from a steady deterioration in

international development cooperation following the end of the cold war. The decline in official development assistance, which was now only 0.27 per cent of the combined gross national product of the member countries of the OECD Development Assistance Committee, had taken a heavy toll, particularly in Africa. A new rationale for development cooperation was needed in the post-cold war era, based on partnership and mutuality of interests and benefits, since there could be no lasting peace without development, or sustainable development without peace.

57. For most developing countries, particularly in Africa, the fact that foreign direct investment flows had been rising steadily was no compensation for a reduction in official development assistance, as 75 per cent of those investment flows went to just 12 developing countries, and the poorest countries did not receive private investment flows. The African countries together received only about 2 per cent of such flows, despite their efforts to attract private investment through structural adjustment programmes and liberalization of their economies. The explanation for that situation lay in the accumulation of such factors as poor physical infrastructure, a generally unskilled labour force, high levels of indebtedness, high inflation and small domestic markets, problems which the African countries must face up to by seeking to establish sound macroeconomic equilibrium and suitable infrastructure, and by investing in social programmes to promote the integration of their people in the global system.

58. African Governments were attempting to meet those needs, but they needed financial, technical and other support from the international community. In that connection he appealed for renewed international economic cooperation and fulfilment of the commitments made at recent global conferences aimed at advancing the social and economic objectives of the Organization.

59. With regard to trade, import quotas and protectionist measures hindering access for developing countries' exports to the countries of the North must be eliminated. In that connection, he welcomed the establishment of the World Trade Organization (WTO) and urged the international community to fully implement the WTO agreement. Trade liberalization should not lead to further marginalization of the poor countries or widen the gap between developed and developing countries. There should be increased focus on ensuring an even distribution of the gains from the Uruguay Round.

60. South-South cooperation, a necessary strategy for advancing the development of developing countries and an integral element of international cooperation for development, should be encouraged through triangular funding arrangements between the United Nations, the international community and the countries concerned. In similar vein, greater international support was needed for regional economic cooperation among and integration of developing countries, particularly in Africa where markets were very small. Greater regional integration in Africa should result in an increased market for particular goods, especially where it was accompanied by specialization on the part of individual countries. Since the strengthening of regional markets could awaken the interest of investors, Ghana urged its developed partners to take measures to support regional integration among developing countries in general.

61. His delegation reiterated the urgent need to ensure the full and timely implementation of the United Nations New Agenda for the Development of Africa in the 1990s. The international community should provide the requisite financial and other resources to support the economic restructuring measures which African countries had taken to stimulate their development. In that connection, it was worth recalling that the United Nations System-wide Special Initiative on Africa launched a few months previously had established mechanisms for accelerated implementation of the New Agenda.

62. His delegation also wished to highlight the great importance of human resources development in all development programmes and in strategies aimed at achieving economic growth. Some countries were still suffering from the negative impact of structural adjustment programmes, particularly with regard to health and educational infrastructure and services, which necessitated strengthening of international cooperation based on the adoption and implementation of concrete measures aimed at mitigating and completely eliminating their adverse impact. The Bretton Woods institutions should also consider increasing grants for community and human resources development in future programmes.

63. The debt problem continued to be a major obstacle to Africa's economic recovery and development. His Government reiterated its call for a development-orientated approach that went beyond the Naples terms and included, inter alia, debt cancellation and debt-for-development swaps. His delegation welcomed the proposal made at Lyon by the seven major industrialized countries for a partnership for development, as well as the recognition by that forum of the need to go beyond the Naples terms for debt relief measures.

64. In addition, his Government welcomed the agreement reached recently in Washington by the world's major industrial powers to endorse the Bretton Woods institutions' plan to reduce the collective debts of some of the poorest and most heavily indebted countries by nearly $6 billion. Uganda, for example, could benefit from debt forgiveness to the tune of about $80 million a year for the next three years. According to Oxfam, such a reduction would enable Uganda to provide health services to 2 million people, teaching materials for 2 million primary school children and immunization for 1 million children. That example amply illustrated what debt forgiveness could do to alleviate poverty in developing countries and the need to adopt more radical measures to write off the debts of the developing countries, particularly those in Africa, whose indebtedness currently stood at over $300 billion, to which $20 billion was added annually in capital and interest.

65. Mr. ABDELLAH (Tunisia), associating himself with the statement made by the representative of Costa Rica on behalf of the Group of 77 and China, said that his delegation had noted with satisfaction the common willingness of Member States to introduce the necessary reforms to revitalize the United Nations in the economic and social fields, and reiterated that the adoption of General Assembly resolution 50/227 was an important milestone in the reform process. His delegation trusted that the Ad Hoc Open-ended Working Group on an Agenda for Development would be able to complete the task entrusted to it within the next few months, but stressed that the reforms which had been undertaken would not live up to expectations unless respect for and implementation of the commitments

entered into was guaranteed so that all States, and particularly developing countries, could benefit from those reforms.

66. Eradicating poverty had been the prime objective of all major United Nations conferences that had been held since 1990; the latter had provided the system with a solid base for structuring the activities that were being implemented in that field. They had also brought out the scope, complexity and multisectoral nature of the problem, which necessitated mobilizing all actors in society.

67. However, despite the unanimity displayed by the international community on that issue, contributions to multilateral development institutions had steadily declined over recent years. The significant decline in resources, in conjunction with the increasing needs of the countries concerned, was frustrating efforts being made to achieve the objectives of the fight against poverty, thus undermining commitments entered into by the international community. Experience had shown that social progress could not be achieved by relying solely on the play of market forces.

68. His Government wished to reiterate its continued commitment to fleshing out and strengthening cooperation with all African countries, which had unambiguously stated that they were prepared to try to overcome their underdevelopment by using their own resources and to surmount the manifold obstacles hampering their progress by more effectively utilizing their natural and human resources.

69. Nevertheless, given globalization which was a current feature of the world economy, it would be unrealistic to claim that Africa would be able to develop without the combined efforts of the African countries and the rest of the world. His Government therefore welcomed the interest shown by the international community in the development and growth of Africa, as had been evidenced the previous year by the Economic and Social Council which had chosen the situation in Africa as the central theme of its discussions.

70. Interest in the continent had been revived and broadened during the current year owing to measures taken by the Secretary-General and the United Nations system as a whole, which had come together to give specific content to the Special Initiative on Africa. His delegation welcomed the results of the mid-term review of the implementation of the United Nations New Agenda for the Development of Africa in the 1990s, which had shown that African countries had achieved positive results in the fields of human development, institution-building and development of the private sector. However, the relevant documentation prepared by the Secretariat had made it plain that, without substantial support from the international community, African countries would be unable to achieve their objectives within the time frames envisaged by the New Agenda. Such solidarity should take the form of a predictable supply of adequate resources and the creation of a favourable environment.

71. In that connection, he drew the Committee's attention to the changes in international relations which had led to a revival in trade, the greater interdependency of the world economy and a consequent widening of prospects for cooperation between nations. Meanwhile, new financial, commercial and

technological factors were forcing all countries, and particularly developing countries, to adapt their economies in order to compete for markets, foreign investment and technology. To ensure that developing countries were in a position to do just that, it was important to resolve the problem of indebtedness; in that connection, his Government welcomed the interest shown by the seven major industrialized countries at their recent meeting in Lyon regarding the problem of development in general and the search for ways to address the debt problem of the countries of the South in particular.

72. Another aspect of the question was the almost direct relationship between trade and development, and in that regard his delegation hoped that the forthcoming ministerial meeting of the World Trade Organization which was to be held in Singapore in December, would strike the requisite balance between the interests of nations with a large trading volume and the interests of smaller Member States of WTO. His Government believed that the meeting should address two main issues, namely review of the implementation of the Uruguay Round and review of the Marrakesh Agreements, in the hope that the Singapore meeting would help to strengthen the international trading system and strengthen the rules governing trade between nations.

73. Mr. ACEMAH (Uganda) said that the world economy had undergone major changes over the past decade, resulting in its increasing integration. While some countries had benefited from those changes, many developing countries, particularly the least developed countries, the majority of which were in Africa, were gradually being marginalized; that was reflected in the sharp decline in their share of world trade, their negligible share of global flows of private capital, and the deterioration of their socio-economic condition. Integrating the least developed countries into the global economy, alleviating global poverty and ensuring growth with equity and sustainable development were, therefore, the major challenges currently facing the international community.

74. Recognizing that they bore primary responsibility for their own development, the developing countries had implemented structural adjustment programmes aimed at reinvigorating their economies in order to adapt them to a constantly changing international economic environment. Those policies were essential for achieving growth and sustainable development. Their implementation had made it possible to achieve improved growth rates and considerably lower rates of inflation, but those achievements had had a high social cost. Moreover, those successes were largely predicated on continued external assistance; the establishment of a supportive international economic environment was therefore just as vital for the success of those policies as was each country's commitment to their implementation.

75. In that context, his delegation was concerned at the increasing role of transnational corporations in international trade in goods and services and in the flow of private capital; that had increased their influence over resource flows, the transfer of technology and the development process of developing countries in general. There was therefore an urgent need to elaborate and adopt an effective and legally binding international code of conduct to regulate the activities and influence of those corporations.

76. The external debt burden of many developing countries was another huge impediment to their development efforts. Large proportions of their national export earnings had to be devoted to debt servicing, and little, if any, was left for domestic investment in sectors that were vital for development. Proposals for enhancing the Naples terms, as well as a comprehensive debt initiative by the Bretton Woods institutions, could contribute to solving the debt problem if implemented flexibly and expeditiously.

77. The reduction in resources devoted to official development assistance was another grave problem. Most countries had yet to fulfil their international commitments in that respect; that was all the more serious in that the least developed countries had not benefited from the significant increase in private capital flows and were still almost entirely dependent on official assistance in order to attract resources for development.

78. The success of the least developed countries' policies for generating growth and employment depended on their trade performance and their access to foreign markets; although the Uruguay Round agreements and the establishment of the World Trade Organization had provided a significant stimulus to world trade, in the short- to medium-term many least developed countries not only would not benefit from the expansion of world trade, but would even experience increased marginalization. The Uruguay Round agreements eroded the trade preferences established under the various Generalized System of Preferences agreements and the Lomé Convention, and did not adequately address the question of access for the products of developing countries to the markets of developed countries.

79. The lack of an internationally competitive production and marketing base in the developing countries, coupled with the latter's heavy dependence on primary commodities, limited Africa's ability to take advantage of global trading opportunities. The inaugural Ministerial Conference of the World Trade Organization, to be held in Singapore in December would provide a unique opportunity to review the implementation of the Uruguay Round agreements, particularly the provisions to enhance the capacity of least developed countries to benefit fully from the global trading system and to alleviate their transitional problems. To achieve that, concrete measures must be adopted. The importance of reasonable prices for commodities could not, therefore, be overemphasized. In Africa, over 75 per cent of the working population was involved in the production or marketing of primary commodities. The factors which had led to the establishment of the Common Fund for Commodities were clearly still relevant. The Fund must be adequately funded if it was to achieve its objectives. It was regrettable that no concrete results had been achieved regarding the establishment of the proposed African commodity fund for diversification.

80. A special session of the General Assembly was to be held in 1997 to review the progress made in the implementation of Agenda 21, and that opportunity must be used to mobilize the necessary political will. In Africa, environmental degradation, manifested, inter alia, by persistent drought and desertification, was both a cause and a consequence of poverty. Uganda therefore welcomed the conclusion in 1994 of the United Nations Convention to Combat Desertification and looked forward to the holding in June 1997 of the first session of the Conference of the Parties to that Convention.

81. Regarding climate change, Uganda noted that the report submitted to the parties to the Framework Convention on Climate Change by the Intergovernmental Panel on Climate Change (IPCC) clearly indicated that the developed countries were not fulfilling their commitment to reduce harmful atmospheric emissions with a view to reducing them to 1990 levels by the year 2000. Instead, vested interests were attempting to cast doubt on the report. Uganda was against the developed countries' practice of using developing countries as dumping grounds for hazardous and toxic wastes produced by their own unsustainable patterns of production and consumption. It also rejected the sale in developing countries of products, such as DDT, which had been banned elsewhere on health grounds.

82. The international spirit of partnership and cooperation attested to in Rio must be translated into reality by providing adequate resources, and there should be a substantial increase in resources for the Global Environment Facility, since, at the present time, financial commitments under chapter 34 of Agenda 21 were not being fulfilled.

83. Uganda's commitment to cooperation in the field of regional integration had been effected in its active participation at the level of the east African subregion, in the revival of the East African Community, in the strengthening of the Common Market for Eastern and Southern Africa in the strengthening of the Organization for the Planning and Development of the Kagera Basin, and in efforts to make operational the Treaty Establishing the African Economic Community. With a view to strengthening cooperation in East Africa, Uganda proposed the establishment of cooperation agreements between the East African Community and the United Nations, and appealed to the international community to support those efforts.

84. Finally, he said that urgent attention should be given to the establishment of the new international economic order, since achievement of the latter's noble objectives would be in the best interest of the international community as a whole.

85. Ms. ULLOA (Ecuador) said that she endorsed the statement made by the representative of the Group of 77 and wished to make additional comments on the subject of trade and development. She drew attention, in particular, to the undoubted acceleration of the processes of globalization and liberalization of the world economy during the five-year period 1991-1995 as well as to the fact that there were no universal panaceas and that medium- and long-term development strategies must be based on internal and external adjustments in order to optimize the benefits of globalization while, at the same time, reducing the risks and costs which they might have for different countries, particularly developing countries.

86. The subject of international trade was of special importance to Ecuador, which had become a member of the World Trade Organization on 21 January 1996. Ecuador was therefore bound by the rules of that organization and also hoped that its concerns, such as the one relating to the European Union's banana importing regime, would be addressed in a just and favourable manner.

87. The delegation of Ecuador fully agreed with the statement made by the Under-Secretary-General for Policy Coordination and Sustainable Development

about the work done by the Second Committee in convening the recent United Nations conferences and about the need to ensure the implementation of the conclusions of those forums.

88. The majority of the world's population undeniably lived in developing countries and the imbalance in population growth and lag in human development had a severe impact on the quality of life in all countries, especially the developing countries. The poor, the unemployed, the weak and the vulnerable figured prominently among demographic factors and were in turn affected by those factors. Problems included the inequalities between men and women, since women accounted for 70 per cent of all poor people in the world and had limited access to the benefits of development. Moreover, unsustainable consumption patterns and their consequences for the environment exacerbated social inequalities and made poverty more widespread.

89. Ecuador had designed a package of strategies, programmes and activities aimed at incorporating demographic variables into development planning and at increasing gender equity. Projects aimed at improving access to maternal and child health, family planning services and information programmes were being implemented with a view to achieving a better balance in the spatial distribution of the population and promoting a healthy environment in the context of sustainable development.

90. Unsustainable population growth also had an impact on the use of natural resources, such as water, food and fuel and also affected the capacity of Governments to provide the population with basic services and healthy and adequate housing. At the United Nations Conference on Human Settlements (Habitat II), Ecuador had underscored the urgent need to find a solution to those problems. Even though participants in the Conference had included the main representatives of the public, private and community sectors involved in the development of human settlements, the appeal which had been made at the Conference could not bear fruit without assistance and cooperation at the national level and, in particular, without the solidarity and effective and timely delivery of international contributions.

91. Mr. ELIASSON (Sweden) said that Sweden fully associated itself with the statement made by Ireland on behalf of the European Union and wished to make some additional remarks on two important issues: globalization and its effects and the need for a strong and renewed United Nations to deal with the challenges and problems of globalization.

92. Never before in history had people and nations been so interdependent, since internationalization embraced every sphere of human activity. At the same time, globalization, which was expanding at an accelerating pace, created opportunities and challenges, hopes and risks. Global economic integration and the acceptance of free markets had brought prosperity and increased possibilities to many people all over the world. Nevertheless, globalization had also had negative consequences, such as the marginalization of some countries and groups of people. The nation State was being challenged by the integration of global markets. While many countries prospered from open international relations, many of the poorest and least developed countries, particularly those in Africa, did not benefit fully from the flows of trade,

capital and investment. The gaps between rich and poor, both between and within countries, were widening. The International Year for the Eradication of Poverty had served to highlight those trends.

93. Marginalization had exacerbated the problems of declining production, employment and wages and had led to new forms of social exclusion which affected in particular those who were considered "outsiders" on the basis of race, ethnicity and religion, and, as everyone knew, the most vulnerable. The World Congress against Commercial Sexual Exploitation of Children, which had been held in Stockholm in August 1996, had also provided testimony on that issue. Social exclusion was a breeding ground for discrimination, xenophobia and violence which, ultimately, was a threat to peace and stability.

94. Poverty was a serious threat to peace at the end of the century. It was a fertile breeding ground for despair and gave birth to violence and terror. That was why solidarity and security were two sides of the same coin. A firm security policy must rest on the understanding that, in the long run, there would be no security in the North unless the peoples of the South had a chance for a decent life. Strong political commitment at all levels and cooperation for democracy, freedom and human rights for women and men were required to counteract the destructive forces that threatened the future.

95. Globalization should not be rolled back, but its effects must be analysed, understood and dealt with. In that process, the international community must act at all levels: locally, nationally, regionally and internationally, but it must always think globally. To that end, it had the United Nations and an ethos, the Charter, which recognized the fundamental importance of global well-being and called for international cooperation among Member States to deal with common problems, not least those of an economic and social character.

96. The six global conferences held under the auspices of the United Nations had deepened the dialogue on those issues and had given rise to fruitful processes at the local, national and global levels. They had also underscored the role of the United Nations as a focal point for dealing with the central problems facing mankind, such as the eradication of poverty and the promotion of sustainable development. The United Nations was the only organization which could tackle global long-term threats, such as climate change. A recent concrete example was the International Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa. Sweden, which had chaired those negotiations, was particularly pleased to note that the Convention would enter into force before the end of the year.

97. For half a century, the Government of Sweden had participated actively and with unflinching commitment in the activities of the United Nations and had been dedicated to a strong and efficient United Nations. The Ministry of Foreign Affairs of Sweden had recently issued a publication on the United Nations global conferences of the 1990s, which had been distributed to all delegations.

98. The international community needed the United Nations, since it was a meeting-place to identify shared values and served as a guardian of international norms and principles. The Organization was needed to combat

poverty and environmental degradation and promote sustainable economic and social development. Moreover, the international community needed the United Nations to combat the economic and social root causes of conflicts, as part of a comprehensive strategy to prevent war and cope with the increasingly serious non-military threats to human security. The United Nations should become a central catalytic force for global solidarity.

99. Sweden, which advocated solidarity with developing countries and multilateral cooperation for development, believed that the primary purpose of reform was to forge a United Nations that was able to carry out its urgent tasks more efficiently. The purpose of reform was not primarily to bring about cuts and downsizing; reform should result in a stronger United Nations with defined objectives and clear priorities. The time was ripe for a system-wide approach to reforming the Organization. The United Nations must be strengthened in order to enhance its ability to fulfil its mandate and to respond more effectively to the needs of Member States. Of central importance was the impact of the United Nations where it mattered most to people - at the country level.

100. The United Nations could not and should not attempt to do everything. Its operational activities should be concentrated where they were most needed: in the poorest countries and in the poorest groups. The United Nations must avoid fragmentation, as well as overlapping mandates among funds, programmes and agencies. It should function as a unified system, starting at the country level, followed by integration at Headquarters. As an effective system for governing, the United Nations development system should contribute to a sense of trust in, and responsibility for, its activities and policies.

101. In order to work effectively, the United Nations must receive its assessed contributions from Member States in full, without conditions and on time. Adequate funding of global development cooperation was also essential. It was alarming that the willingness to provide funds for development cooperation was decreasing and was at its lowest level in decades. Only four countries, which included Sweden, were fulfilling the United Nations goal of contributing 0.7 per cent of their gross national product to assistance activities.

102. As a sign of Sweden's continuing commitment to the work of the United Nations in the economic and social fields, the Swedish Government in its budget bill to the Parliament for 1997 - in spite of cuts in almost all other areas of government expenditure - was proposing a maintained total level of voluntary contributions to the Organization's operational activities.

103. Sweden's active participation in the United Nations was a cornerstone of its foreign policy. In that regard, it would continue to work for a system that could ensure predictable funding and more equitable burden-sharing.

104. The CHAIRMAN, speaking on behalf of all the members of the Committee, thanked the Government of Sweden for having decided to maintain its current level of contributions in spite of its budget cuts, and welcomed the Swedish Government's publication on United Nations world conferences.

105. Mr. DELANEY (Papua New Guinea) said that the political declarations made at conferences became meaningful when they led to the creation of opportunities

for expanded and effective participation by developing countries. The world was waiting for the United Nations system to implement the commitments that it had assumed at the international level.

106. His delegation welcomed the coordinated system-wide approach that established linkages among organizations and agencies with a view to carrying out activities to promote sustainable development and economic growth in the next century.

107. The work of Governments must be based on a greater balance of international cooperation in trade and investment, and on an enabling economic environment. Similarly, all countries should commit themselves to protecting and conserving the environment and, where feasible, develop internationally accepted codes of conduct for the development of natural resources. His delegation had raised that point in the Ad Hoc Intergovernmental Panel on Forests.

108. In addition, national efforts to manage "global commons", such as carbon sinks and biodiversity, must be complemented by equitable distribution of the benefits gained from the use of biological diversity, and by the transfer of technologies to improve monitoring and research.

109. Papua New Guinea strongly supported the United Nations system's disaster-response mechanisms in the field. With the growing concern for suitable freshwater resources, sea-level rise and refugees, the work of the United Nations in those areas was becoming more important.

110. The globalization of trade in an increasingly competitive trading system could lead to the marginalization of countries with limited access to markets. Papua New Guinea was open to developing proposals on the need for an international system that properly balanced the process of rapid trade liberalization with the ability of weaker countries to compete fairly in foreign markets and to obtain external resources and finances. There must be an acceptable standard for international cooperation to facilitate capital flows from developed countries to developing countries. If, as trends indicated, existing facilities in international financial institutions had failed to create suitable conditions for developing countries, it was essential to undertake an evaluation of the weaknesses of those systems and offer alternatives to stimulate investor confidence and economic growth.

111. Environmental protectionism, unilateral trade laws, non-tariff barriers and other disguised protectionist measures continued to have an impact on the ability of developing countries to sustain economic growth.

112. The growing imbalance, perceived as an inevitable trend, was a concern for his delegation in view of the shortfalls in eradicating poverty and reducing Africa's debt burden.

113. While his delegation supported the reform of the Economic and Social Council, the reform process would not solve all the problems facing the international community, since institutional reforms must be complemented by a sound resource base for implementing approved strategic and financial plans.

114. Structural adjustment and economic recovery programmes could become tools for the promotion of external interests and should not be implemented without due consideration to a country's unique pace of change. In Papua New Guinea the development assistance provided by the financial institutions had been closely tied to conditions on environmental protection, trade liberalization, deregulation and withholding of funds for agreed programmes.

115. Referring to the forthcoming special session of the General Assembly on Agenda 21, he said that the Programme of Action for the Sustainable Development of Small Island Developing Countries was an integral component of the process that had begun in Rio de Janeiro. While the Group of Seven recognized the crucial role played by the United Nations in organizing international cooperation for sustainable development and fostering consensus on development policies and goals, that recognition, though encouraging, would best be expressed through attainment of the agreed ODA targets and implementation of existing agreements and commitments.

116. Mr. HAMDAN (Lebanon), after endorsing the statement made by the Group of 77 and China referred to the measures that the Second Committee should take to implement the policies agreed on at the recent international conferences sponsored by the United Nations. A principal topic of debate would be the determination of effective means of coordinating the development policies of the United Nations with those of other agencies. A system should be devised which would discard the selective approach and emphasize instead the need for each country to assume its responsibilities in order to give credibility and objectivity to the efforts being made to resolve the problems of the modern world. The concepts of equity and justice should permeate the discussions without that being construed as interference in a country's internal affairs.

117. The international community should concert its efforts in the area of the fight against poverty. In that connection it would be a good idea if, in addition to cooperating with the various countries, the Bretton Woods institutions were to cooperate with the United Nations system in order to create the conditions needed to eradicate poverty and foster sustainable development. The fact that many countries remained marginalized from the development process and were having to deal with a serious external debt problem underscored the need to help the poorest countries rid themselves of that burden and invest in the sustainable development of their resources. The decline in ODA, which was currently at its lowest level in 20 years, was therefore disquieting.

118. The high-level talks that had taken place between international financial authorities and representatives of Governments and central banks had demonstrated the need to tackle matters relating to post-conflict peace-building. The fact that a conflict had ended was no guarantee of stability; as the Secretary-General had pointed out in An Agenda for Peace, post-conflict peace-building was an integral part of the international community's responsibility. What was needed was not theoretical studies on those matters but a practical study that would help promote awareness of the international community's options. He therefore suggested that the Secretariat and international financial institutions should conduct a multidisciplinary study on the requirements and conditions for peace-building.

119. Having laid the bases for the establishment of a world mechanism that would reflect the commitments undertaken in connection with environmental problems - the World Environment Fund - the international community could make a greater political commitment in order to guarantee the achievement of good results in that area and establish a similar mechanism to tackle other problems relating to the environment. Attention should be drawn to the need to strike a balance between the interests of the various States so as to reduce the gap between the excessive well-being of some and the alarming poverty of others, since, in an increasingly interdependent world which shared a common destiny, solutions to environmental problems must be closely interrelated.

120. Mr. AL-HARTHY (Oman), after endorsing the statement made by the representative of Costa Rica on behalf of the Group of 77 and China, said that the end of the cold war had offered a historic opportunity to establish a new world order characterized by international cooperation rather than confrontation, one in which peace, security and stability would prevail. However, that had not happened; many developing countries were facing economic difficulties such as widespread poverty and external debt; the gap between north and south was widening and ODA was at its lowest level in 10 years. That gloomy picture did not augur well for the stability of the global economy. Accordingly, all countries must take steps to address development issues in a comprehensive manner, in the interest of developed and developing countries alike.

121. As a developing country, Oman attached great importance to the issue of an agenda for development and he urged the Ad Hoc Open-ended Working Group on an Agenda for Development to step up its efforts in order to conclude the ongoing negotiations and adopt an action-oriented agenda that would provide a framework for implementing existing international commitments for development and for promoting sustainable development.

122. His Government was strongly committed to environmental conservation and in recent years it had taken important steps towards the implementation of Agenda 21. In July of the present year it had acceded to the United Nations Convention to Combat Desertification. As a country prone to desertification and drought, it believed the Convention to be a very important instrument, for it provided a framework which, if adhered to, could lead to significant results.

123. He also emphasized the success of the Second United Nations Conference on Human Settlements (Habitat II) and the need to take steps at the national and international level in order to fulfil the commitments made there. The successful conclusion of the Uruguay Round of multilateral trade negotiations and the launching of the World Trade Organization had marked a milestone in the area of trade liberalization; however, in order for the new regime to work effectively it was imperative that members should refrain from acting unilaterally or resorting to practices that were prejudicial to other members. Believing that developed and developing countries alike stood to benefit from the new trading arrangements, his country had decided to accede to the new Organization.

124. Turning to his country's economic situation, he said that Oman's economy depended primarily on oil but that, realizing that fact, the Government had

sought, with some success, to diversify the economy; currently 62 per cent of the gross domestic product was being generated outside the oil and gas sector and other steps had been taken to expand the sources of national income. They included privatization programmes and encouraging domestic and foreign investment. Although it had handled its affairs prudently, the annual budget deficit had been increasing in recent years; that had necessitated cutbacks in 1995, however, basic services had not been affected. The Government intended to balance the budget by the year 2000.

125. In conclusion, he said that his delegation attached great importance to the work of the Second Committee which, in its view, remained the appropriate forum for addressing the global economic and environmental problems confronting the international community.

The meeting rose at 6 p.m.